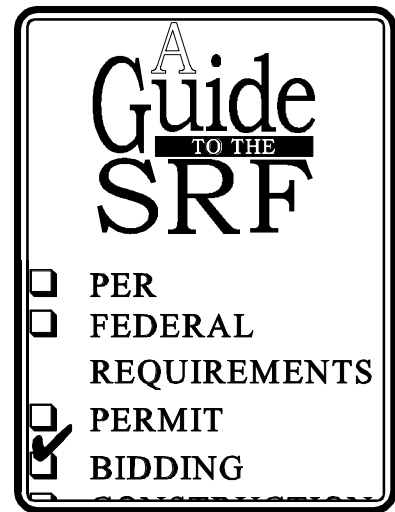


Construction Contracts in the SRF Program

This guide provides information to assist project sponsors, consulting engineers, and project contractors to better understand the requirements of the construction contract, responsibilities of sponsor as defined in the loan agreement, and roles of the sponsor, the Department of Health and Environmental Control (DHEC), the SC Budget and Control Board (BCB) and the consulting engineer.

This guide is broken down into two sections: (1) the preconstruction conference and (2) disbursement information. Following is a list of topics in each section:



1. Preconstruction Conference Report: This section contains a copy of the report that is prepared by DHEC's project manager and distributed to all parties that attend the preconstruction conference. In this report, the following subject areas are covered:

- Purpose of Conference;
- Authority of the Authorized Representative of the Sponsor;
- Authority of the DHEC Representative;
- Authority and Responsibility of the BCB;
- Construction Requirements;
- Environmental Requirements;
- Substantial Project Changes and Loan Amendments;
- Change Orders;
- Contractor(s);
- Time Line for SRF Disbursements;
- Disbursement Requirements and Information.

2. Disbursement Package for Project Sponsors: This section provides the project sponsor with a complete package of information on policies and requirements for disbursements, specific procedures for submitting draw requests and estimated draw request schedules, and the required forms that will satisfy both DHEC and the BCB. This section includes discussions on:

- SRF Disbursement Policies;
- Requirements Prior to Submission of the First Draw Request;
- Requirements for the First Draw Request;
- Draw Request Procedures and Requirements.

Please note that all of this information will be provided during the preconstruction conference. The early distribution of this information to project sponsors and consulting engineers is intended to introduce future steps and requirements of the SRF program.



SECTION 1
PRECONSTRUCTION CONFERENCE REPORT



**STATE OF SOUTH CAROLINA
STATE REVOLVING FUND (SRF) PROGRAM
PRECONSTRUCTION CONFERENCE REPORT**



PROJECT NAME _____

PROJECT SRF NUMBER _____

DATE _____

TIME _____

PLACE _____



AUTHORIZED REPRESENTATIVES

SPONSOR _____

DHEC DISTRICT REPRESENTATIVE _____

DHEC SRF PROJECT MANAGER _____

CONSULTING ENGINEER _____

BUDGET AND CONTROL BOARD _____

PURPOSE OF CONFERENCE

The purpose of this conference is to reach a mutual understanding of the contract requirements, to discuss the responsibilities of the sponsor as required under the provisions and conditions of the loan agreement, and to define the roles of the sponsor, DHEC, the SC Budget and Control Board (BCB) and the consulting engineer.

AUTHORITY OF THE AUTHORIZED REPRESENTATIVE OF THE SPONSOR

The authorized representative of the sponsor has the authority to administer the loan agreement, construction contract(s), and to issue certain revisions to the contract(s). These revisions will be limited by the amount and scope specified in the loan agreement. Only the sponsor has the authority to make changes to the contracts, after approval by DHEC.



AUTHORITY OF THE DHEC REPRESENTATIVE

The DHEC SRF Project Manager _____, and DHEC District Inspector(s) have the authority, with respect to state law, to monitor, advise and offer assistance to the sponsor to insure that:

- The sponsor is complying with provisions of the loan agreement.
- The sponsor's performance will assure the technical integrity of the project.
- The sponsor is providing adequate construction supervision.

The DHEC SRF project manager will be responsible for reviewing and issuing approvals for project revisions, change orders, disbursements, and other related project activities in coordination with representatives of the SC BCB.

The SRF Financial/Procurement Officer will be responsible for reviewing and certifying draw requests for disbursement to the DHEC finance office and the BCB for disbursement processing. The DHEC SRF project manager will be responsible for checkpoint disbursement requests and any adjustments that may be required during the course of the project. Checkpoint reviews are performed on the first and last draw requests, and at 30%, 60% and 90% of construction completion.

AUTHORITY AND RESPONSIBILITIES OF THE BCB

The BCB has the authority to insure compliance with all provisions of the loan agreement and associated loan documents. Any questions relative to the **loan agreement** should be addressed to the BCB.

The BCB is responsible for:

- Assuring fiscal integrity of the loan and assuring that the sponsor is carrying out required responsibilities specified in the loan agreement.
- Administrative functions related to the loan agreement and associated documents, loan disbursements, and loan amendments.

RESPONSIBILITIES OF THE SPONSOR

The sponsor bears the primary responsibility for complying with all terms and conditions of the loan agreement and for the administration and success of the loan project, including all contracts made by the sponsor.

The sponsor is responsible for compliance by the contractor(s) with the following requirements:

- The Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333).
- Copeland Regulations of the Secretary of Labor (29 CFR Part 3).
- The Department of Labor Non-Discrimination Provisions (Executive Order 11246).
- The Department of Labor Equal Opportunity Contract Specifications (Executive Order 11246).
- Compliance of all contractors and subcontractors with the U.S. General Services Administration's List of Parties Excluded from Federal Procurement and Nonprocurement Programs.
- Use of small, minority and women businesses.

- The Flood Disaster Protection Act of 1973 [40 CFR Part 30].
- Fire and Extended Coverage Insurance (Builder's Risk).
- Compliance with equal opportunity requirements (40 CFR, Part 8).
- All other special conditions and/or requirements outlined in the approved specifications documents or loan documents.

CONSTRUCTION REQUIREMENTS

- In accordance with the Loan Agreement, Article 8, the sponsor has agreed to provide competent and adequate engineering supervision and continuous construction inspection. Additional inspections by DHEC authorized representatives may be made at any time during project construction. The applicable DHEC district office will perform the final inspection.
- After the issuance of the notice to proceed by the sponsor, a monthly construction inspection report must be provided to the DHEC SRF project manager. The monthly construction inspection report should be completed by the individual that is directly responsible for construction inspection.
- A "Monthly Construction Inspection Report" (DHEC Form 3587) is attached. Any equivalent form is acceptable provided the same information is given.
- The contractor's and sponsor's inspectors must maintain a complete set of approved plans and specifications on the job site at all times during construction.
- During construction, water/wastewater treatment provided must not be less than before construction.

Any exception to these requirements must be approved by DHEC. The reasonable cost of complying with these requirements is eligible for loan participation.

ENVIRONMENTAL REQUIREMENTS

The sponsor and contractor(s) are advised that it is necessary to comply with all environmental protection and pollution control programs established by DHEC and/or local ordinances.

Attention should be paid to the following items throughout the construction process:

- The SC Department of Archives and History should be notified if archaeological remains are discovered during construction.
- Protection of existing trees, shrubs and grass
- Dust control on haul roads, excavation work and borrow areas.
- Siltation, soil erosion and other non-point source pollution must be minimized during construction.
- Use of chemicals should be in accordance with applicable EPA, OSHA or other standards.
- The contractor(s) and subcontractor(s) should be aware that the sponsor retains complete responsibility for meeting any applicable NPDES/ND permit limits or drinking water standards.
- Disposal of all residual sludge and/or solids from a treatment facility must be in accordance with a DHEC-issued permit or approval letter.
- Bypassing of a wastewater treatment facility is not permitted.

SUBSTANTIAL PROJECT CHANGES AND LOAN AMENDMENTS

Prior written approval by DHEC is required for project changes which may substantially alter the:

- Design or scope of the project
- Type of treatment
- Location, size, capacity or quality of any major item of equipment

The sponsor must promptly notify the BCB and the DHEC SRF project manager of events or proposed changes which require a loan amendment. If the sponsor intends to request loan participation in any proposed change order which affects the scope of work or budget by major category as identified in the executed Loan Agreement (Appendix "A"), the sponsor must obtain prior written approval of the change(s) by BCB. Prior written approval by BCB will also be necessary if the change affects or alters the Loan Agreement.

CHANGE ORDERS

A change in the project work that is consistent with the objective of the project and within the scope of the loan agreement requires the execution and DHEC approval of a change order. DHEC will determine if change order costs are reasonable; however, in no instance will change orders be approved for loan participation in an amount in excess of the funds available in the loan agreement.

The sponsor should notify DHEC of proposed changes to the contract or to the project in advance, except minor or emergency changes.

Time extensions for the contract shall be made using a change order. Contract time extensions do not affect the schedules established in the Loan Agreement.

A disbursement will not be made for work performed under a change order until it has been approved by DHEC. Change order approvals do not affect the loan amounts established in the Loan Agreement.

The change order format shall comply with the form included in the approved contract specifications.

One original and three copies of the change order must be submitted to the DHEC SRF Project Manager. The following information should be provided with all change orders:

Need for the change

Clear description of the change

Cost and pricing data

Memo of negotiations

For claims, information showing the claim did not result from mismanagement

CONTRACTOR(S)



FIRST CONTRACTOR: _____

SUPERINTENDENT RESPONSIBLE FOR CONSTRUCTING THE ENTIRE

CONTRACT: _____

INDIVIDUAL RESPONSIBLE FOR NEGOTIATING AND SIGNING CHANGE

ORDERS AND PROJECT REVISIONS: _____

NOTICE TO PROCEED WILL BE ISSUED ON: _____

CONTRACT TIME IS: _____

CONSTRUCTION COMPLETION DATE IS: _____



SECOND CONTRACTOR: _____

SUPERINTENDENT RESPONSIBLE FOR CONSTRUCTING THE ENTIRE

CONTRACT: _____

INDIVIDUAL RESPONSIBLE FOR NEGOTIATING AND SIGNING CHANGE

ORDERS AND PROJECT REVISIONS: _____

NOTICE TO PROCEED WILL BE ISSUED ON: _____

CONTRACT TIME IS: _____

CONSTRUCTION COMPLETION DATE IS: _____



THIRD CONTRACTOR: _____

SUPERINTENDENT RESPONSIBLE FOR CONSTRUCTING THE ENTIRE

CONTRACT: _____

INDIVIDUAL RESPONSIBLE FOR NEGOTIATING AND SIGNING CHANGE

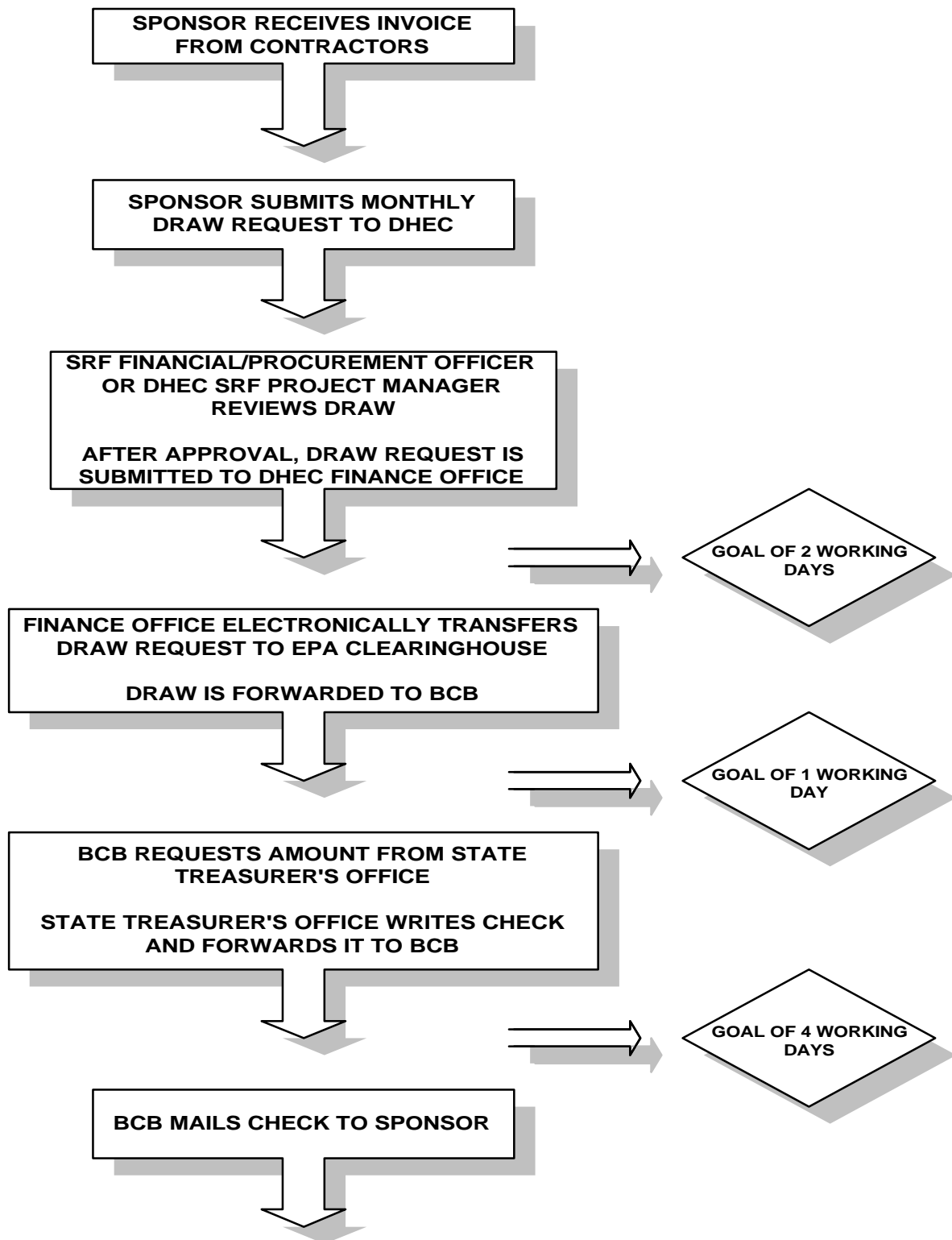
ORDERS AND PROJECT REVISIONS: _____

NOTICE TO PROCEED WILL BE ISSUED ON: _____

CONTRACT TIME IS: _____

CONSTRUCTION COMPLETION DATE IS: _____

TIME LINE FOR SRF DISBURSEMENTS



DISBURSEMENT REQUIREMENTS AND INFORMATION

The sponsor must designate a “Sponsor Representative” who will be responsible for submitting draw requests, making payments on the loan and representing the sponsor in other matters pertaining to administration of the loan agreement. This individual must be an official or employee of the sponsor. Also, the sponsor must designate two individuals authorized to sign draw requests. These two individuals should be the project engineer and the designated sponsor representative. An SRF “Official Designation and Signature Form” (DHEC Form 3586), identifying these individuals, must be on file 30 days prior to the first draw request. Two original forms must be executed and the required signatures must be in blue ink. Submit one original to DHEC and the other original to BCB.

A “Monthly Estimated Draw Request Schedule” (DHEC Form 3584) must be submitted to DHEC 30 days prior to submission of the first draw request. This Schedule should reflect the estimated category and total amounts to be drawn on a monthly basis for the life of the project. This schedule is essential to ensure that requested funds will be available for disbursement.

Prior to the first draw request, a copy of the Notice to Proceed and one copy of the bound executed contract documents must be submitted to DHEC.

The SRF Disbursement Package provides detailed procedures for submission of draw requests and estimated draw request schedules.

Weekly certified payroll records must be submitted to the loan sponsor. Payroll records must be retained for a period of three years from the completion of the contract.

The Disadvantaged Business Enterprise (DBE) requirements mandate that minority and women-owned businesses be given the opportunity to participate in a fair share of the subcontracts awarded. The prime contractor must obtain DHEC approval prior to executing any subcontract. Failure to have sub approval prior to the sub working on the job site will delay draw request processing and may result in costs declared ineligible for SRF assistance.

The prime contractor is required to report the actual dollar amount paid to a DBE sub in a given quarter using the “U.S. Environmental Protection Agency’s MBE/WBE Utilization Report” (EPA Form 5700-52A). Submission of this report is required even if there is no MBE/WBE activity to report; this is called a Negative Report. These reports must be submitted to DHEC within 15 days of the end of the federal fiscal quarter (January 15th, April 15th, July 15th and October 15th)



STATE OF SOUTH CAROLINA
STATE REVOLVING FUND (SRF) PROGRAM
MONTHLY CONSTRUCTION INSPECTION REPORT

Project Sponsor: _____

Loan Number: _____

Inspection Month and Year: _____ Inspection No.: _____

Contractor: _____ Division: _____

Scheduled Construction Complete (%): _____ Actual Complete (%): _____

Brief Description of Monthly Construction Activity:

Overall Project Performance (Deficiencies, Quality of Construction):

Comments and/or Recommendations:

Change Order No.	Date Submitted to DHEC	Date Approved by DHEC

Subcontractors on Site	Construction Type

Inspector's Signature

Date

Submit one report for each contract and include with the DHEC Form 3585, Draw Request Form . Do not submit daily log sheets with this report. Submit to:

SCDHEC, Water Facilities Permitting Division, SRF Section, 2600 Bull Street, Columbia, SC 29201.

SECTION 2

DISBURSEMENT PACKAGE FOR PROJECT SPONSORS

Contents:

1. Disbursement Information
2. Designation and Signature Forms
3. Draw Request Form with Instructions
4. Monthly Estimated Draw Request Schedule

DISBURSEMENT INFORMATION

Under the State Revolving Fund (SRF), there are disbursement policies, procedures and requirements that apply to all loan recipients, some of which appear in the loan agreement between the project sponsor and the South Carolina Revolving Fund Authority. It is the responsibility of the project sponsor to comply with the provisions of the loan agreement, which is a legally binding document.

While the disbursement policies, procedures and requirements govern the SRF program as a whole, some relate more to the responsibilities of the Department of Health and Environmental Control (DHEC) under the program and others involve the Budget and Control Board, Office of Local Government (BCB), which administers the financial functions of the SRF for the Authority. In general terms, DHEC reviews the technical aspects of the draw requests and the BCB disburses the monies. Both agencies insure compliance with the loan agreement, as well as other disbursement provisions contained herein.

This material provides the project sponsor with a complete package of information on policies and requirements for disbursements, specific procedures for submitting draw requests and estimated draw request schedules, and the required forms that will satisfy both agencies. Material which must be provided to DHEC and/or BCB should be addressed as follows:

DHEC

CLEAN WATER PROGRAM

Ms. Janice C. Griffin
Financial/Procurement Manager
State Revolving Fund Section
Water Facilities Permitting Division
Dept. of Health and Environmental Control
2600 Bull Street
Columbia, South Carolina 29201
Phone: 734-5299

DRINKING WATER PROGRAM

Mr. Dennis J. O'Keefe
Accountant II
State Revolving Fund Section
Water Facilities Permitting Division
Dept. of Health and Environmental Control
2600 Bull Street
Columbia, South Carolina 29201
Phone: 734-5368

BCB

Ms. Mary E. Monroe
Loan Administration Coordinator
Office of Local Government
State Budget and Control Board
1201 Main Street, Suite 910
Columbia, South Carolina 29201
Phone: 737-3801

I. SRF DISBURSEMENT POLICIES

- A. Disbursements will only be made against incurred, actual eligible costs of the project, not to exceed the amount specified for each cost category prescribed in Appendix “A” of the BCB loan agreement.
- B. Labor or administrative activities performed by employees of the project sponsor (i.e., force account work) are not eligible costs.
- C. When the project sponsor is seeking reimbursement for amounts already paid on a project, the disbursement check will be drawn and mailed to the project sponsor. When the project sponsor is seeking funds to pay incurred project costs, the disbursement check(s), at the option of the BCB, may be drawn to the project sponsor alone or jointly to the project sponsor and engineer or vendor. The check(s) will be mailed to the project sponsor.
- D. Draw requests will not be accepted prior to the execution of all construction contracts. The first draw request must include an amount for incurred construction costs.
- E. Draw requests shall not be submitted more often than monthly.
- F. When the project budget indicates that the loan represents only a portion of the eligible costs of the project, or a portion of the costs of a category, any draw may not exceed the same proportion of such costs reported for disbursement unless otherwise approved by the BCB. Waivers will only be considered where other sources of funds are to be expended first, and waiver requests must be submitted in writing to the BCB no later than 60 days prior to submission of the first draw request.
- G. The project sponsor should submit draw requests at least 21 days before the funds are required. The BCB will make every effort to disburse funds within 14 to 21 days of receiving a request, but it cannot guarantee this schedule.
- H. The project sponsor shall promptly disburse funds received from the SRF to pay eligible costs of the project and for no other purpose. In no case should the disbursed funds be held by the project sponsor more than 3 days, unless the disbursement is for a reimbursement.
- I. The project sponsor shall not request disbursements against retainage until retainage is paid.
- J. The project sponsor shall not request disbursements for any change order until the change order has been approved by DHEC.
- K. If an Operation & Maintenance (O&M) Manual is required for the project, no more than ninety percent (90%) of the loan will be disbursed until the final O&M Manual is approved by DHEC.
- L. The final disbursement will not be made until the Permit to Operate is issued by DHEC. A copy of the permit(s) must be submitted with the final draw request to DHEC and BCB. Draw requests will not be accepted later than 120 days from the date of the Permit to Operate. A waiver to the 120 day rule, which is contained in the loan agreement, may be considered by the BCB only under extraordinary circumstances beyond the control of the

project sponsor. Any such waiver request must be submitted to the BCB by the designated sponsor representative and contain sufficient justification to clearly document the problem.

- M. If the project sponsor is required to incrementally fund a Debt Service Reserve Fund, no disbursement will be made on any draw request unless the amount on deposit in this Fund meets the requirements of the loan agreement and the trustee submits written verification of deposit to the BCB.
- N. Each request for, and acceptance of, a disbursement by the project sponsor shall be affirmation that the representations and warranties of the loan agreement remain true and correct as of the date of the request and acceptance, that no breach of other provisions of the loan agreement has occurred, and that no adverse developments affecting the financial condition of the project sponsor or its ability to complete the project or to repay the loan plus interest have occurred since the date of the loan agreement unless specifically disclosed in writing by the project sponsor in the request for disbursement submitted to the BCB.

II. REQUIREMENTS PRIOR TO SUBMISSION OF THE FIRST DRAW REQUEST

- A. The project sponsor must designate a “Sponsor Representative” for purposes of disbursements, payments and other matters pertaining to administration of the loan agreement. This individual, who is required to be an official or employee of the project sponsor, must be designated in writing prior to submission of the first draw request (see Appendix A).*
- B. Identification and signatures of the two persons authorized to sign draw requests must be submitted by the project sponsor in writing prior to submission of the first draw request (see Appendix A). These two individuals should be the project engineer and the sponsor representative named in A above.*
- C. The project sponsor must prepare and submit a “Monthly Estimated Draw Request Schedule” (DHEC Form 3584) to DHEC using the forms included in this package (see Appendix C). This schedule, which should be prepared for the life of the project and reflect the estimated category and total amounts to be drawn on a monthly basis, is essential to ensure that requested funds will be available for disbursement. The initial schedule is due by the 15th of the month preceding the month in which the first draw request is to be submitted.
- D. A complete set of executed bound contract documents and a copy of the Notice to Proceed must be provided to DHEC prior to submission of the first draw request.

*Two “Official Designation and Signature Form(s)” (DHEC Form 3586) are enclosed in Appendix A which should be used for the designations required in A and B above. Send one form to DHEC and the other to BCB, each with original signatures in blue ink.

III. REQUIREMENTS FOR THE FIRST DRAW REQUEST

- A. All amounts to be requested for disbursement in any of the categories for “Planning and Design Engineering”, “Land Acquisition” and “Legal and Appraisal Fees” will be accepted only with the first construction draw request.
- B. If the project sponsor is required to incrementally fund a Debt Service Reserve Fund, evidence of the establishment of such a Fund and the then current balance must be submitted to the BCB with the first draw request. No disbursement will be made if there is any deficiency in the required balance.
- C. The initial draw request, if received more than 90 days after the date of the loan agreement, must also be accompanied by a letter from the project sponsor’s attorney to the Authority, the contents of which are specified in Section 1.6.5(b) of the loan agreement. This attorney letter, if applicable, should not be issued sooner than 2 weeks preceding submission of the draw request and should be sent to the BCB.
- D. The first draw request, as well as all subsequent requests, must follow the procedures and requirements of the next section.

IV. DRAW REQUEST PROCEDURES AND REQUIREMENTS

- A. The SRF “Draw Request Form” (DHEC Form 3585), enclosed in Appendix B, must be used by the project sponsor to request all disbursements on any SRF loan.
- B. Draw requests must be prepared in accordance with the instructions provided on the form and signed by the proper officials, as designated by the project sponsor.
- C. Draw requests are to be submitted simultaneously as follows:
 - One original and one copy of the draw request with one set of supporting invoices to DHEC.
 - One copy of the draw request only, without supporting documentation to BCB, except for one copy of the bond counsel invoice and the items noted in I.L (Permit to Operate) and III.C (attorney letter).
- D. “Monthly Construction Inspection Reports” (DHEC Form 3587) must be submitted to DHEC with each draw request covering the period for which construction costs are being claimed.
- E. To insure the availability of funds, DHEC requires a revised “Monthly Estimated Draw Request Schedule” (DHEC Form 3584) be submitted with any draw request in which the total monthly amount requested varies upward/downward by fifteen percent (15%) or more from the estimated amount on file for the month. A revision is also required when monthly estimates were made and a draw request is not submitted. The revised schedules should reflect actual disbursements and estimates, as applicable, through the anticipated project completion month. The combined totals must agree with either the total loan agreement amount or a lesser amount if estimates reveal that project costs may not require usage of the

full amount. Failure to keep the monthly estimates current will cause a delay in the processing of draw requests and providing disbursements.

F. Eligible Expenses for Draw Request Categories:

1. Engineering - Planning and/or Design

Include in this category only actual eligible engineering costs incurred by a consultant during the planning and/or design phases of the project, including value engineering if selected by the project sponsor and approved by DHEC. Expenses incurred earlier than 36 months prior to submittal of a complete loan application are not eligible for participation. Disbursements may not exceed the amount shown for this category in Appendix “A” of the BCB loan agreement.

2. Land Acquisition

Include in this category only the actual incurred costs for the purchase of eligible land, but do not include any associated legal, appraisal or relocation costs. In the Clean Water SRF Program, land is eligible only if it is an integral part of the treatment process, e.g., land application. In the Drinking Water SRF Program, land is eligible if it is needed to locate eligible treatment or distribution projects and is purchased from a willing seller. The cost of any land acquired earlier than one year prior to submittal of a complete loan application is *not* eligible and should not be included in the draw request. Disbursements may not exceed the amount shown for this category in Appendix “A” of the BCB loan agreement.

3. Legal and Appraisal Fees

Include in this category only the following actual incurred expenses: (1) legal and/or appraisal fees directly related to land acquisition for the project; (2) attorney and bond counsel fees incurred to close the SRF loan. Do not include any costs incurred earlier than one year prior to submittal of a complete loan application. Disbursements may not exceed the amount shown for this category in Appendix “A” of the BCB loan agreement.

4. Construction

Include in this category only actual eligible costs incurred for the construction of the project. Disbursements may not exceed the amount shown for this category in Appendix “A” of the BCB loan agreement.

5. Equipment

Include in this category only actual eligible incurred costs of equipment for use in the project, but not a part of the construction contracts. Disbursements may not exceed the amount shown for this category in Appendix “A” of the BCB loan agreement.

6. Construction Engineering

Include in this category only actual eligible incurred costs for continuous inspection, construction engineering and other engineering services during the construction phase

of the project. Do not include any engineering costs which may be incurred during start-up operations or which were incurred during the planning and design phases. Disbursements may not exceed the amount shown for this category in Appendix "A" of the BCB loan agreement.

- G. Comprehensive Reviews (milestones) have been established for the first, 30%, 60%, 90% and final draw requests. At these times, DHEC will conduct a thorough review of the draw requests to ensure compliance with all disbursement, technical, DBE (minority and women owned businesses), EEO (Equal Employment Opportunity) and procurement requirements. Draw requests will be held pending resolution of any noted deficiencies.
- H. DHEC adjustments will be made on current or subsequent draw requests as required. A copy of the adjusted draw request, with a letter of explanation, will be forwarded to the project sponsor for use in generating subsequent requests.

APPENDIX A

OFFICIAL DESIGNATION AND SIGNATURE FORMS (DHEC Form 3586)



**STATE OF SOUTH CAROLINA
STATE REVOLVING FUND (SRF) PROGRAM
OFFICIAL DESIGNATION AND SIGNATURE FORM**

Project Sponsor: _____ Loan No. _____

Project Name: _____ Date: _____

DESIGNATION OF SPONSOR REPRESENTATIVE

Pursuant to Section 1.3.2 of the Loan Agreement, the official or employee of the Project Sponsor whose name, title, and signature appears below is designated for purposes of submitting disbursement/draw requests, making payments on the loan and representing the Project Sponsor in all administrative matters pertaining to administration of the Loan Agreement.

_____ Typed Name and Title	_____ Signature
-------------------------------	--------------------

INDIVIDUALS AUTHORIZED TO SIGN DRAW REQUESTS

The officials whose names, titles and signatures appear below are designated and empowered to execute all documents concerning the preparation and submission of Draw Requests for loan proceeds from the State Revolving Fund to the South Carolina Budget and Control Board and the South Carolina Department of Health and Environmental Control, pursuant to the terms and conditions of the Loan Agreement.

_____ Project Engineer: Typed Name and Title	_____ Signature
---	--------------------

_____ Sponsor Representative: Typed Name and Title	_____ Signature
---	--------------------

AUTHORITY FOR DESIGNATIONS

I certify that the above identified individuals have been authorized to carry out the designated responsibilities and I further certify that the above signatures are of the individuals so authorized.

_____ Name and Title of Authorizing Official	_____ Official's Signature
---	-------------------------------

*Submit an original to DHEC and to the Budget and Control Board at:
SCDHEC, Water Facilities Permitting Division, SRF Section, 2600 Bull Street, Columbia, SC 29201
SCBCB, Office of Local Government, Loan Administration Coordinator
1201 Main Street, Suite 910, Columbia, SC 29201*



**STATE OF SOUTH CAROLINA
STATE REVOLVING FUND (SRF) PROGRAM
OFFICIAL DESIGNATION AND SIGNATURE FORM**

Project Sponsor: _____ Loan No. _____

Project Name: _____ Date: _____

DESIGNATION OF SPONSOR REPRESENTATIVE

Pursuant to Section 1.3.2 of the Loan Agreement, the official or employee of the Project Sponsor whose name, title, and signature appears below is designated for purposes of submitting disbursement/draw requests, making payments on the loan and representing the Project Sponsor in all administrative matters pertaining to administration of the Loan Agreement.

_____ Typed Name and Title	_____ Signature
-------------------------------	--------------------

INDIVIDUALS AUTHORIZED TO SIGN DRAW REQUESTS

The officials whose names, titles and signatures appear below are designated and empowered to execute all documents concerning the preparation and submission of Draw Requests for loan proceeds from the State Revolving Fund to the South Carolina Budget and Control Board and the South Carolina Department of Health and Environmental Control, pursuant to the terms and conditions of the Loan Agreement.

_____ Project Engineer: Typed Name and Title	_____ Signature
---	--------------------

_____ Sponsor Representative: Typed Name and Title	_____ Signature
---	--------------------

AUTHORITY FOR DESIGNATIONS

I certify that the above identified individuals have been authorized to carry out the designated responsibilities and I further certify that the above signatures are of the individuals so authorized.

_____ Name and Title of Authorizing Official	_____ Official's Signature
---	-------------------------------

*Submit an original to DHEC and to the Budget and Control Board at:
SCDHEC, Water Facilities Permitting Division, SRF Section, 2600 Bull Street, Columbia, SC 29201
SCBCB, Office of Local Government, Loan Administration Coordinator
1201 Main Street, Suite 910, Columbia, SC 29201*

APPENDIX B

DRAW REQUEST FORM (DHEC Form 3585)



STATE OF SOUTH CAROLINA
STATE REVOLVING FUND (SRF) PROGRAM
DRAW REQUEST FORM

SECTION I

Project Sponsor: _____
Address: _____
Telephone: _____

Date of Request: _____
Loan Number: _____
Draw Request Number _____ Interim _____ Final _____
Prepared by: _____ Telephone: _____
Draw Request Period: From _____ To _____

DHEC USE ONLY

Fund Type: _____

Fund Number: _____

AIMS Number: _____

SECTION II

A	B	C	D	E	F	G	H	DHEC USE ONLY
Category	Total Eligible Project Costs	Total Costs Approved for Loan	Loan Percentage (C/B) or Waiver Percentage	Total Cumulative Eligible Project Costs Incurred to Date	Total Cumulative Loan Amounts Requested to Date (E*D)	Actual Cumulative Loan Amounts Received to Date	Amount of This Request (F-G)	Adjustments ____ This Request ____ Next Request
1. Engineering	_____	_____	_____	_____	_____	_____	_____	_____
2. Land Acquisition	_____	_____	_____	_____	_____	_____	_____	_____
3. Legal, Appraisal Fees	_____	_____	_____	_____	_____	_____	_____	_____
4. Construction Totals (Use Page 3, No. 1)	_____	_____	_____	_____	_____	_____	_____	_____
5. Equipment	_____	_____	_____	_____	_____	_____	_____	_____
6. Construction Engineering Totals (Use Page 3, No. 2)	_____	_____	_____	_____	_____	_____	_____	_____
7. Other	_____	_____	_____	_____	_____	_____	_____	_____
8. TOTALS	_____	_____	_____	_____	_____	_____	_____	_____

SECTION III

PROJECT SPONSOR CERTIFICATION

I/We Certify that this request for payment of billed costs or reimbursement is in accordance with the terms of the loan agreement and represents amounts which have not previously been requested.

Signature

Signature

Typed Name and Title of Sponsor Representative

Typed Name and Title of Project Engineer

DHEC USE ONLY

Federal Share: _____

DHEC Officials' Certification

State Share: _____

I/We have reviewed this Loan Draw Request with supporting documentation and certify that the amount reflected on line 8H is eligible for disbursement to the best of my/our knowledge. Adjustments, as required, have been made on this request and will be reflected on subsequent requests submitted by the project sponsor.

Signature (SRF Financial Manager)

Signature (SRF Project Manager)

Date

Date

INSTRUCTIONS FOR PREPARING SRF DRAW REQUEST FORMS

PURPOSE: Project sponsors must use this draw request form to request disbursement from their State Revolving Fund loan.

ITEM BY ITEM INSTRUCTIONS

Required information is either self-explanatory or may be obtained from the Revolving Loan Fund Agreement.

- 1. Column A: Categories have ben extracted from the Loan Agreement. No other categories, including line 7 (Other), may be used without the prior written approval of the Budget and Control Board (BCB) and the Department of Health and Environmental Control (DHEC).
- 2. Columns B, C and D: This data must be obtained form the Loan Agreement and will remain constant unless the Loan Agreement is modified to reflect new Eligible Project Costs and/or Costs Approved for Loan. An approved waiver by the BCB may change the percentages in Column D.
- 3. Column E: Reflect the Total Cumulative Eligible Project Costs or Waiver Amount Costs Incurred to Date, by category, in this column. The category amounts and totals cannot exceed the amounts and totals reflected in Column B or the Waiver amount approved by BCB, whichever is applicable.
- 4. Column F: The Total Cumulative Loan Amounts Requested to Date, by category, are determined by applying the percentages reflected in Column D to the amounts in Column E. However, Page 3 must be used to compile totals for Construction and Construction Engineering. The percentages established in Column D for these categories will be used to determine the Construction and Construction Engineering amounts on Page 3. The category amounts and totals in Column F cannot exceed the category amounts and totals reflected in Column C.
- 5. Column G: The Actual Cumulative Loan Amounts Received to Date, by category, are reflected in this column. If an unpaid draw request is being processed by DHEC or the BCB, a departmental adjustment will be made in this column to reflect the appropriate amount.
- 6. Column H: The Amount of This Request, by category, is determined by subtracting Column G amounts from Column F amounts.
- 7. Last Column: Reserved for DHEC Use Only.

- 8. All adjustments must be reflected in the appropriate category amounts and totals.
- 9. Invoices to support the Amount of This Request, by category, must be enclosed with the Draw Request Form.
- 1. Project Sponsor Certification: Signatures of the officials so designated by the project sponsor shall be affixed to the draw request form. Signature forms for the authorized representatives must be on file with the BCB and DHEC.
- 2. DHEC Officials' Certification: Signatures of the officials so designated by the Director, Water Facilities Permitting Division, shall be affixed to the draw request form. Certification by the Project Manager is only required for check point payments and adjustments.

PROCESSING PROCEDURES

Draw requests are to be submitted simultaneously as follows:

- one original and one copy of the draw request with one set of supporting invoices and documentation to;
SCDHEC, Water Facilities Permitting Division, SRF Section, 2600 Bull Street, Columbia, SC 29201
- one copy of the draw request, without supporting documentation, to:
SCBCB, Office of Local Government, Loan Administration Coordinator, 1201 Main Street, Suite 910, Columbia, SC 29201

DHEC files the original in the main project file, located in DHEC’s Central Office.

DHEC USE ONLY

_____ Date Received from Project Sponsor

Check Point: ____ Yes ____ No

____ 1st ____ 30% ____ 60% ____ 90% ____ Final

Review:

_____ Reviewer’s Initials

_____ % of Draw on Loan

_____ Date Review Completed

_____ Date Forwarded to DHEC FM

SRF DRAW REQUEST FORM

1. CONSTRUCTION:

A	E	F	G	H	DHEC USE ONLY
Contract/Division Contractor	Total Cumulative Eligible Project Costs Incurred to Date	Total Cumulative Loan Amounts Requested to Date (E*D)	Actual Cumulative Loan Amounts Received to Date	Amount of This Request (F-G)	Adjustments ____ This Request ____ Next Request
A.					
B.					
C.					
D.					
E.					
Construction Totals					
Transfer totals to line 4, Page 1					

2. CONSTRUCTION ENGINEERING:

A	E	F	G	H	DHEC USE ONLY
Sub-Category	Total Cumulative Eligible Project Costs Incurred to Date	Total Cumulative Loan Amounts Requested to Date (E*D)	Actual Cumulative Loan Amounts Received to Date	Amount of This Request (F-G)	Adjustments ____ This Request ____ Next Request
A. Project Inspection					
B. Basic Engineering Services					
C. Other Engineering Services					
Construction Engineering Totals					
Transfer totals to line 6, Page 1					

APPENDIX C

MONTHLY ESTIMATED DRAW REQUEST SCHEDULE (DHEC Form 3584)



STATE OF SOUTH CAROLINA
STATE REVOLVING FUND (SRF) PROGRAM
MONTHLY ESTIMATED DRAW REQUEST SCHEDULE

Project Sponsor: _____
Address: _____

Loan Number: _____
Type Report: _____ Initial _____ Revised
Project Name: _____

Prepared by: _____
Telephone Number: _____

Page ____ of ____ Pages
For Calendar Year: _____
Total Loan Amount: _____

Category	January	February	March	April	May	June	July	August	September	October	November	December	Totals
3. Engineering	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
4. Land Acquisition	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
5. Legal, Appraisal	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
6. Construction Totals	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
7. Equipment	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
8. Construction Engineering	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
9. Other	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
TOTALS	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____

The above monthly amounts represent the estimated or actual draw amounts (whichever is applicable), by category, for the months indicated. These amounts are for the duration of the project and will be revised if a monthly total draw request amount varies upward or downward by 15% or more from the original or subsequent estimates.

Signature of Sponsor Representative

Printed Name and Title of Sponsor Representative

Date

Submit to: SCDHEC, Water Facilities Permitting Division, SRF Section, 2600 Bull Street, Columbia, SC 29201